

Office of Legislative Research
Connecticut General Assembly



BUSINESS AND JOBS



John Rappa, Chief Analyst

2012-R-0182

(Updated to include June Special Session acts)

June 21, 2012

NOTICE TO READERS

This report summarizes the laws enacted during the 2012 regular and special sessions (i.e., public acts (PAs)) affecting a broad range of businesses. In doing so, it attempts to provide enough information to help readers decide whether to obtain the more detailed OLR analysis of an act or its full text. Readers can obtain the former at www.cga.ct.gov/olr; they can obtain the act's full text at www.cga.ct.gov or from the Connecticut State Library or the House Clerk's Office.

TABLE OF CONTENTS

BUSINESS LAW AND PRACTICE	5
Petroleum Products	5
“One Free Item” Retail Sales Requirement	5
Licensure of Food Manufacturing Establishments	5
Enhanced Emergency 9-1-1 Program	5
Real Estate Property Condition Disclosure Report	6
Sunday Sales	6
Reindeer Herds	6
Medical Marijuana	6
“Zappers”	7
Recording Fees	7
Unclassified Misdemeanors	7
Ownership of Public Accounting Firms	7
Disclosing Security Breaches	7
ECONOMIC DEVELOPMENT AND HOUSING	8
Bioscience Enterprise Corridor Zone	8
Capital Region Development Authority	8
Private Rental Investment Mortgage and Equity Program	8
Brownfield Remediation	9
Stormwater General Permitting Process	9
Steel Point in Bridgeport	9
Small Business Innovation Assistance Program	9
Economic Development Agencies Merger	9
Manufacturing Reinvestment Accounts	9
Expanded Job Creation Tax Credit	10
More Businesses Eligible for State Small Business Financing	10
New Marketing Initiatives	10
First Five Plus Jobs Relocation Preference	10
ENERGY	10
Combined Heat and Power/Anaerobic Digester Programs	10
Property Assessed Clean Energy (PACE) Programs for	
Commercial Property	11
CEFIA	11
FINANCE, INSURANCE, REAL ESTATE	11
Lottery Sales Agents	11
Model Entity Transactions Act and Connecticut Business Corporation	
Act	11

Adverse Determination Reviews	11
Insurance Holding Company System.....	11
Insurance for Perishable Food Donations	12
Changes to Property and Casualty Insurance Statutes	12
Reinsurance Credit	13
Captive Insurers	13
Veterans Insurers	13
LABOR.....	13
Maximum Allowable Unemployment Compensation	
Trust Fund Balance	13
Unemployment Compensation Hearings and Appeals.....	13
Second Injury Fund	14
LAND USE AND ENVIRONMENT.....	14
Reinstated Transfer Act Exemptions	14
Municipal Flood and Erosion Control Boards	14
Development in Coastal Areas.....	14
Site Plans and Subdivisions Bonds	15
Funds for Underground Storage Tank Cleanup Program	15
TAXES AND FEES	15
Jeopardy Collection of Taxes.....	15
Property Taxes.....	15
Sales and Use Tax on Vessel Storage, Maintenance, or Repair.....	16
Roll-Your-Own.....	16
Aircraft Industry Joint Venture Sales Tax Exemption	16
TRANSPORTATION	16
Department Of Transportation Contracts.....	16
Streamlining Traffic Safety Evaluations.....	17
Infrastructure Funds	17
WORKFORCE DEVELOPMENT	17
Learn Here, Live Here Program	17
Manufacturing Internships	17
Technical High School System Changes	17
Workforce for Making Improvements around Public Airports.....	17
Subsidized Training and Employment Program (STEP) Expansions .	18
Youth Employment Strategies.....	18

BUSINESS LAW AND PRACTICE

Petroleum Products

A new law caps at \$3 per gallon the amount of gross earnings from gasoline and gasohol subject to the petroleum products gross earnings tax, and bars distributors from including in any billing for the first sale of any petroleum products in Connecticut any amount representing the gross earnings tax that exceeds their gross earnings tax liability.

The new law also (1) deems the 90 calendar days after its passage to be a period of an abnormal market disruption in the price of energy resources, (2) establishes the amount of any future gasoline or gasohol wholesale price increase that constitutes an abnormal market disruption, and (3) imposes a fine of up to \$10,000 for each market disruption violation, which is in addition to the unfair and deceptive trade practices penalties that already apply.

([PA 12-4](#), effective upon passage)

“One Free Item” Retail Sales Requirement

The legislature extended the “one free item” law to retail foods sold without bar codes, including those that must be weighed when purchased and gives the consumer protection commissioner the same disciplinary powers as under the

electronic pricing “one free item” law, including issuing citations and imposing civil penalties. The new law applies only to stores with a retail sales area of more than 10,000 square feet.

([PA 12-15](#), effective July 1, 2012)

Licensure of Food Manufacturing Establishments

A new law requires licenses for new food manufacturing establishments and requires each establishment to be designed, constructed, and operated as the Department of Consumer Protection (DCP) commissioner directs under the Uniform Food, Drug, and Cosmetic Act and laws regulating bakeries. The new law does not prevent local health authorities from enforcing orders or regulations concerning the establishment's sanitary conditions.

([PA 12-95](#), effective July 1, 2012)

Enhanced Emergency 9-1-1 Program

A new law modifies how prepaid wireless subscribers are assessed the fee that supports the Enhanced 9-1-1 (E 9-1-1) program, requires retailers to collect the prepaid wireless E 9-1-1 fee, and makes consumers liable for paying it. It allows retailers to keep 1% of the amount collected and requires

them to remit the balance to the Division of Revenue Services.

The law extends to telecommunications service providers, wireless telecommunications service providers, and prepaid wireless telecommunications service providers and their agents, the immunity that currently applies to telephone companies and their agents who release 9-1-1 subscriber information as required by law.

([PA 12-153](#), effective January 1, 2013)

Real Estate Property Condition Disclosure Report

A new law expands the kind of information that must be disclosed in the real estate property condition disclosure report and requires the consumer protection commissioner to update, by January 1, 2013, the regulations prescribing the information the form must disclose.

([PA 12-122](#), effective July 1, 2012)

Sunday Sales

Among other things, a new law (1) expands the days and hours for alcohol sales, including off-premises sales on Sundays; (2) allows retailers who sell alcohol for off-premises consumption to sell one item below cost each month; and (3) establishes the Competitive Alcoholic Liquor Pricing Task Force to study Connecticut's liquor permitting and pricing

laws and compare them with surrounding states.

([PA 12-17](#), effective upon passage)

Reindeer Herds

The legislature required the agriculture commissioner, by (1) September 1, 2013, to (1) adopt regulations allowing in-state captive herds of cervids (i. e. deer), including reindeer and, (2) November 1, 2012, to implement a pilot program under which he issues two permits that allow up to two Connecticut businesses to have up to five reindeer each.

([PA 12-127](#), effective July 1, 2012)

Medical Marijuana

A new law sets conditions under which a licensed physician can certify an adult patient's use of marijuana and creates licensing requirements for pharmacists (i.e., "dispensaries") to supply the marijuana and for producers to grow it.

The law prohibits (1) dispensaries (as well as patients, their caregivers or doctors, or producers) from being subject to criminal or civil penalties, or being denied any right or privilege, for specified actions relating to palliative marijuana use and (2) employers (as well as schools and landlords) from taking certain actions against a patient or caregiver solely based on the person's status as a palliative marijuana patient or caregiver, unless required by

federal law or to obtain federal funding.

([PA 12-55](#), effective October 1, 2012, except the dispensary and producer licensing provisions take effect upon passage)

“Zappers”

It is now a crime to willfully and knowingly sell, purchase, install, transfer, or possess an automated sales suppression device (i.e., “zapper”) or “phantom-ware,” and violators face a fine of up to \$100,000, one to five years in prison, or both.

([PA 12-135](#) effective July 1, 2012)

Recording Fees

Anyone who now files a document with a town clerk to be recorded in the land record is limited to no more than 20 assignments of a mortgage.

Town clerks can also charge the \$1 fee per page document copying fee for copies of documents in any format, such as CD-ROM or microfilm. The \$1 fee for recording a marginal notation of a mortgage assignment after the first two assignments is now increased from \$1 to \$2.

([PA 12-187](#), effective October 1, 2012)

Unclassified Misdemeanors

A new law:

1. creates a new misdemeanor classification (a class D misdemeanor),
2. adjusts the penalties of currently unclassified

misdemeanors to fit them into classifications while deeming others to be classified,

3. reduces the penalties for some unclassified misdemeanors to fine-only violations, and
4. repeals some unclassified misdemeanors.

([PA 12-80](#), effective October 1, 2012)

Ownership of Public Accounting Firms

The legislature eliminated the requirement that a certified public account (CPA) firm’s equity owners each hold a valid license to practice in Connecticut, thus allowing such firms to obtain a permit and use the CPA designation as long as a simple majority of its owners, in terms of financial interests and voting rights, holds a valid accountancy license from any U.S. state or territory.

([PA 12-194](#), effective July 1, 2012)

Disclosing Security Breaches

A new law expands the requirement that businesses disclose security breaches compromising personal information to include notifying the attorney general about such breaches.

([HB 6001, June Special Session § 130](#), effective October 1, 2012)

ECONOMIC DEVELOPMENT AND HOUSING

Bioscience Enterprise Corridor Zone

The legislature reconfigured Bristol's portion of the multi-town Bioscience Enterprise Corridor Zone by removing two residential census tracts and designating two commercial and industrial ones instead. Consequently, bioscience businesses in these commercial and industrial tracts now qualify for the zone's incentives, which are property tax exemptions and corporation business tax credits for improving property and creating jobs. The zone consists of statutorily designated census tracts, blocks, and groups in Hartford, Farmington, New Britain, Bristol, and Plainville.

([PA 12-65](#), effective upon passage)

Capital Region Development Authority

The legislature redesignated the quasi-public Capital City Economic Development Authority (CCEDA) as the Capital Region Development Authority (CRDA), preserving many of CCEDA's powers, duties, and functions, including the authority to issue bonds. It expanded the area where the new authority can plan and implement projects and the types of projects it can undertake. The legislature also extended until June 30, 2017, the deadline for issuing up to \$115 million in state general

obligation bonds for specified projects in designated areas and authorized \$60 million in bonds in FY 13 for CRDA specifically to fund housing in downtown Hartford ([PA 12-189 § 43](#), effective July 1, 2012).

([PA 12-147](#), effective upon passage)

During the June Special Session, the legislature expanded CRDA's purpose to include promoting and attracting in-state professional and amateur sports and sporting events anywhere in Connecticut.

([HB 6001, June Special Session, §§ 187 & 188](#), effective July 1, 2012)

Private Rental Investment Mortgage and Equity Program

A new law makes programmatic and administrative changes to the Private Rental Investment Mortgage and Equity Program (PRIME), which uses state funds to subsidize multifamily housing projects financed by the quasi-public Connecticut Housing Finance Authority (CHFA). The projects must include affordable units and may include offices, health care centers, and other specified types of non-housing uses.

Among other things, the law (1) expands the range of such uses to include stores, shops, and other retail uses incidental to the housing; (2) caps the proportion of affordable units a project can have to qualify for PRIME subsidies; and (3) allows the commissioner to provide

subsidies directly to a project's developer or mortgagor instead of only through CHFA.

([PA 12-161](#), effective July 1, 2012)

Brownfield Remediation

Among other things, the legislature made changes to existing brownfield remediation programs and established a pilot program for expeditiously conducting environmental reviews of redevelopment projects in designated areas.

([PA 12-183](#), effective July 1, 2012 for the programmatic and administrative changes and upon passage for the pilot program)

Stormwater General Permitting Process

The legislature provided a framework for allowing qualified professionals to certify compliance with stormwater and waste water discharge general permits if doing so would not violate the federal Water Pollution Control or Safe Drinking Water acts.

([PA 12-172](#), effective upon passage)

Steel Point in Bridgeport

A new law extends the periods during which Bridgeport's Steel Point Special Taxing District can issue bonds to finance its operations and qualify for state economic development assistance.

([PA 12-144](#), effective upon passage)

Small Business Innovation Assistance Program

A new law requires UConn, in concert with the Connecticut Center for Advanced Technologies, to establish and run a program helping small manufacturers (i.e., 100 or fewer employees) develop innovative manufacturing technologies.

([HB 6001, June Special Session, § 146](#), effective July 1, 2012)

Economic Development Agencies Merger

The legislature merged the Connecticut Development Authority (CDA) into Connecticut Innovations, Inc. (CII), transferring CDA's powers, duties, obligations, and assets to CII and placing the state's business lending and venture capital programs under one roof.

([HB 6001, June Special Session, §§ 147-180, 183-186, & 293](#), effective July 1, 2012, for most provisions)

Manufacturing Reinvestment Accounts

A new law specifies the rules eligible manufacturers must use to determine the taxes they owe on money withdrawn from tax-deferred savings accounts, which they may establish to purchase machinery and equipment, expand facilities, or incur other eligible expenses.

([HB 6001, June Special Session, §§ 192-196](#), effective upon passage)

Expanded Job Creation Tax Credit

Businesses hiring people receiving services from the Department of Mental Health and Addiction Services or participating in Department Social Services employment opportunities and day services now qualify for the \$900 per month per employee job creation tax credit.

[\(HB 6001, June Special Session, § 198, effective July 1, 2012 and applicable to income or taxable years commencing on or after January 1, 2012\)](#)

More Businesses Eligible for State Small Business Financing

A new law makes businesses with 50 to 100 employees eligible for small business express loans and increases the maximum loan amounts for certain express loans from \$250,000 to \$300,000.

[\(HB 6001, June Special Session, §§ 199-201, effective upon passage\)](#)

Another new law makes these businesses eligible for assistance under other bond funded small business development programs and reserves up to \$20 million in bonds from an existing bond authorization for extending financial assistance to businesses relocating at least 100 overseas jobs to Connecticut.

[\(HB 6001, June Special Session, § 210, effective upon passage\)](#)

New Marketing Initiatives

The economic and community development commissioner must now develop a strategy for encouraging businesses and other entities to market Connecticut-made products.

[\(HB 6001, June Special Session, § 206, effective October 1, 2012\)](#)

A new law also allows her to identify and promote Connecticut's "cultural treasures."

[\(HB 6001, June Special Session, § 207, effective upon passage\)](#)

First Five Plus Jobs Relocation Preference

Businesses relocating overseas jobs to Connecticut now get a preference for loans, tax credits, and other economic development assistance under the First Five Plus Program.

[\(HB 6001, June Special Session, § 209\), effective upon passage\)](#)

ENERGY

Combined Heat and Power/Anaerobic Digester Programs

A new law expands the size limits under the three-year pilot Combined Heat (CHP) and Power/Anaerobic Digester Programs. Specifically, it expands the maximum capacity of CHP systems from 2 to 5 megawatts and the anaerobic digesters from 1.5 to 3 megawatts.

(SB 501, § 156, June Special Session, effective upon passage)

Property Assessed Clean Energy (PACE) Programs for Commercial Property

Under a new law, the Clean Energy Finance and Investment Authority (CEFIA) must establish a separate PACE program for commercial property, including multifamily buildings with five or more units and allow municipalities to participate in it.

(SB 501, § 157, June Special Session, effective upon passage)

CEFIA

The legislature allowed CEFIA to issue revenue bonds with up to 20-year terms to promote renewable energy and finance energy efficiency projects.

(SB 501, June Special Session, §§ 159 & 160, effective July 1, 2012)

FINANCE, INSURANCE, REAL ESTATE

Lottery Sales Agents

The legislature added letters of credit and other forms of security the Connecticut Lottery Corporation president may require lottery sales agents to provide to ensure they perform their duties to the corporation.

(PA 12-23, effective July 1, 2012)

Model Entity Transactions Act and Connecticut Business Corporation Act

A new law exempts more transactions from Connecticut's Model Entity Transactions Act (META), which takes effect on January 1, 2014; reinstates exemptions to the Hazardous Waste Transfer Act PA 11-241 removed in 2011; and makes changes to the business corporation statutes governing bylaw provisions, indemnification, voting group requirements, and appraisal rights.

(PA 12-32 effective January 1, 2014, except the changes to the corporation statutes take effect October 1, 2012)

Adverse Determination Reviews

The legislature expanded the information health insurance carriers must provide to covered persons or their authorized representatives, upon request, when making an adverse determination (e. g., denying coverage), both in the initial determination and reviews of this determination.

(PA 12-102, effective October 1, 2012)

Insurance Holding Company System

Domestic (Connecticut) insurance companies will now undergo an expanded Insurance Department review when they are the subject of a proposed merger or change of control. In most

cases, a party seeking to acquire a company must file a pre-acquisition notification with the insurance commissioner and provide more information to the department than was previously required. There is also a waiting period after the acquiring party files this notification.

The insurance commissioner can examine an insurance company or its affiliates to determine the company's financial condition, including its enterprise risk.

([PA 12-103](#), effective October 1, 2012)

Parties that control an insurance company must now file annual statements about the risks the holding company system poses to the company they hold. This requirement applies only to those parties that must register with the insurance commissioner.

([SB 501, June Special Session, §§ 127 & 173](#), effective October 1, 2012)

Insurance for Perishable Food Donations

Insurers that sell commercial risk insurance policies or riders that cover food spoilage must now cover to the same extent donations of perishable food to temporary emergency shelters, under certain circumstances and subject to several limitations. Food establishments making such donations enjoy, under specific conditions, protection from liability for civil damages or criminal penalties resulting from

the food's nature, age, condition, or packaging. These establishments cannot claim tax deductions or credits for the donations if they receive a payment from an insurer.

([PA 12-123](#), effective October 1, 2012)

Changes to Property and Casualty Insurance Statutes

The legislature broadened the applicability of standard fire insurance policy provisions regarding the (1) period when a loss is payable after proof of loss, (2) period when a suit or action for the recovery of a claim must be commenced, and (3) definitions of actual cash value and depreciation.

It also specified when insurers may impose a hurricane deductible in the policy instead of an overall policy deductible under homeowners and certain other policies issued or renewed on or after July 1, 2012.

([SB 501, June Special Session, § 95](#), applies this requirement to policies issued on or after October 1, 2012, thus preventing its retroactive application.)

Lastly, it requires people who mitigate losses incurred on or after July 1, 2012 that are covered by a personal risk insurance or commercial risk policy to give the insured, before any work begins, written notice of the work to be completed and the estimated total price.

([PA 12-162](#), effective July 1, 2012, except that the hurricane deductibles provisions are effective October 1, 2012)

Reinsurance Credit

A new law modifies and expands the options under which a U. S. ceding insurer may take credit for reinsurance on its financial statements. It allows, for example, credit to be taken when the reinsurance is ceded to a reinsurer that (1) is certified or accredited by the insurance commissioner and (2) secures its reinsurance obligations as the law and regulations require. The commissioner can suspend or revoke a reinsurer's certification or accreditation, after notice and hearing, if he determines the reinsurer no longer meets the applicable requirements.

([PA 12-139](#), effective October 1, 2012)

Captive Insurers

Among other things, a new law limits the statutory limits on captives' risks to risk retention groups.

([HB 6001, June Special Session, §§ 215-216](#), effective July 1, 2012)

Veterans Insurers

The legislature exempted from the state's insurance laws federal tax exempt organizations providing insurance to veterans and their dependents.

([SB 501, June Special Session, §§ 134-137](#), effective July 1, 2012)

LABOR

Maximum Allowable Unemployment Compensation Trust Fund Balance

Beginning with the 2013 calendar year, a new law increases the amount that can be retained in the unemployment compensation trust fund by changing the method used to calculate the ideal amount of money the fund should contain. The law maintains the current fund balance tax rate paid by employers, which varies between zero, when the fund meets its goal, and the statutory 1.4% maximum when the fund is significantly below its goal. The fund administrator must reduce the rate when the fund exceeds its goal and cannot set one causing the fund to exceed that goal.

([PA 12-46](#), effective October 1, 2012)

Unemployment Compensation Hearings and Appeals

A new law prohibits the Labor Department administrator or examiner who must determine a claimant's eligibility for unemployment benefits from unreasonably denying a request for an in-person hearing. It makes hearings by telephone or other electronic means the preferred method for conducting an appeal about a person's eligibility for unemployment benefits, but requires in-person hearings if either party requests one. It also allows the

Employment Security Appeals Division's chief to designate the hearing's location regardless of its convenience.

([PA 12-125](#), effective October 1, 2012)

Second Injury Fund

The Second Injury Fund can now request, and a workers' compensation commissioner can issue, a writ of attachment against an employer when (1) a person has filed a workers' compensation claim, (2) the employer has not satisfied the requirements to carry insurance or demonstrate other means of paying workers' compensation claims, and (3) it appears the claim may require payment from the Second Injury Fund.

([PA 12-77](#), effective October 1, 2012)

LAND USE AND ENVIRONMENT

Reinstated Transfer Act Exemptions

A new law reinstates the transactions exempted from the Hazardous Waste Transfer Act that PA 11-241 subjected to that act.

([PA 12-32](#) effective January 1, 2014, except the changes to the corporation statutes take effect October 1, 2012)

Municipal Flood and Erosion Control Boards

A new law changes the rules for issuing inland wetlands permits, including (1) tying a permit's duration to the period

for site plan, subdivision, or other related land use approvals and (2) allowing inland wetlands agencies to restrict the time of year when a regulated activity may be conducted.

([PA 12-151](#), effective October 1, 2012)

Development in Coastal Areas

The changes the legislature made to the Coastal Management Act include:

1. modifying its general goals and policies to consider (a) private property owners' rights when developing, preserving, or using coastal resources and (b) the potential impact of a rise in sea level when planning coastal development to minimize certain needs or effects;
2. requiring zoning commissions to approve a coastal site plan for a shoreline flood and erosion control structure under certain circumstances; and
3. requiring these commissions or the Department of Energy and Environmental Protection commissioner to propose structural alternatives or mitigation measures and techniques if they deny a shoreline flood and erosion control structure application for certain reasons.

([PA 12-101](#), effective October 1, 2012, except the provision concerning coastal site plans for

shoreline flood and erosion control structures, which is effective upon passage)

Site Plans and Subdivisions Bonds

The legislature made changes to the laws authorizing bonds and other surety for completing site plan and subdivision improvements. Among other things, it limited the types of site improvements and activities for which zoning commissions can require a bond and prohibited them from requiring developers to (1) establish a homeowners association or (2) placing a deed restriction on the property to maintain approved site improvements.

([PA 12-182](#), effective upon passage)

Funds for Underground Storage Tank Cleanup Program

The legislature authorized \$9 million in bonds for each of the following four fiscal years (FY 13-FY 16) to pay or reimburse claims under the Underground Storage Tank Petroleum Clean-Up Program.

([PA 12-189](#), effective July 1, 2012)

It also required the program to be phased out as a “financial assurance mechanism” and established rules for doing so. Among other things, it created a priority system for paying or reimbursing approved applications, set deadlines for filing applications based on an

applicant’s status (e.g., small or large station), and required payments or reimbursements to be processed based on an applicant’s status.

([HB 6001, June Special Session, §§ 251-263](#), effective upon passage)

TAXES AND FEES

Jeopardy Collection of Taxes

A new law requires tax collectors to take specific steps before collecting taxes that are assessed but not yet due (i. e., jeopardy tax collection). For example, it requires them to determine if a tax payment will be delayed instead of acting immediately to collect the taxes.

([PA 12-26](#), effective October 1, 2012, and applicable to assessment years starting on or after that date)

Property Taxes

The legislature explicitly authorized municipalities to impose property taxes on structures that are partially completed or under construction.

([PA 12-157](#), effective October 1, 2012, and applicable to assessment years beginning on or after that date)

The legislature allowed municipalities to phase in post-revaluation decreases in property values using methods that are comparable to those the law allows for phasing in increases in property values.

([SB 501, §§ 168-170, June Special Session](#), effective July 1,

2012, and applicable to assessment years starting October 1, 2012)

Sales and Use Tax on Vessel Storage, Maintenance, or Repair

A new law extends (1) the sales tax exemption for winter storage of noncommercial vessels by two months and (2) the use tax exemption for winter storage, maintenance, and repair of vessels brought into the state exclusively for those purposes by one month. Under prior law, the sales tax exemption applied from November 1 to April 30, and the use tax exemption from October 1 to April 30. The new law makes both exemptions apply from October 1 to May 31.

([PA 12-175](#), effective upon passage, VETOED)

Roll-Your-Own

A new law extends the state's cigarette laws to anyone who has or allows someone to use a "cigarette rolling machine" (i.e., roll-your-own machine") to make cigarettes at his or her retail or commercial establishment.

([HB 6001, June Special Session, § 123](#), effective July 1, 2012, and applicable to sales occurring on or after that date)

Aircraft Industry Joint Venture Sales Tax Exemption

The legislature allowed more types of aircraft industry joint ventures to qualify for the sales tax exemption for joint ventures and extended, from 30 to 40

years, the time period during which they can claim it.

([HB 6001, June Special Session, § 124](#), effective July 1, 2012 and applicable to sales occurring on or after that date)

TRANSPORTATION

Department Of Transportation Contracts

The legislature authorized the Department of Transportation (DOT) commissioner to designate that highway construction and maintenance projects be built using either a (1) "construction-manager-at-risk" contract with a guaranteed maximum price or (2) design-build contract, as alternatives to the department's traditional "design-bid-build" process.

It also (1) required the commissioner to have DOT employees conduct development and inspection work when possible to reduce the work performed by consultants and (2) authorized the state, its agencies, and political subdivisions to require a "project labor agreement" for public works projects when they determine it is in the public's interest to do so.

[PA 12-70](#), effective upon passage

Streamlining Traffic Safety Evaluations

The legislature created the Office of State Traffic Administration (OSTA) within DOT as the successor to the State Traffic Commission (STC), transferring most of STC's duties and powers to OSTA.

[PA 12-132](#), effective July 1, 2012

Infrastructure Funds

The legislature increased by \$90 million a special tax obligation (STO) bond authorization for improving, rehabilitating, and replacing state bridges. It also authorizes up to \$30 million in STO bonds for the town-aid road grant program.

[PA 12-189](#), effective July 1, 2012

WORKFORCE DEVELOPMENT

Learn Here, Live Here Program

The legislature opened the Learn Here, Live Here program to any student graduating after January 1, 2014 from a public or private college in Connecticut or a health care training school located here. Under prior law, the program was opened only to students graduating from state colleges and universities or regional technical schools.

[PA 12-75](#), effective upon passage

Manufacturing Internships

A new law allows minors to work in hazardous duty jobs while participating in a manufacturing or mechanical internship in any manufacturing or mechanical establishment. The internship must be approved by a (1) certified school administrator from the student's or graduate's school or (2) the state Department of Education.

[PA 12-154](#), effective July 1, 2012

Technical High School System Changes

The legislature changed the name of the regional vocational-technical (V-T) schools to the technical high school system (CTHSS) and created a new 11-member governing board that includes four executives of Connecticut-based employers appointed by the governor from nominees submitted by the Connecticut Employment and Training Commission.

[PA 12-116](#), effective July 1, 2012

Workforce for Making Improvements around Public Airports

The legislature expanded the initiatives that can be taken to preserve the state's airports to include noise mitigation programs in neighborhoods where noise levels exceed applicable FAA standards. It also required the transportation department to set aside at least 30% of the noise mitigation

projects or contracts for veterans who served during wars.

[PA 12-138](#), effective July 1, 2012

Subsidized Training and Employment Program (STEP) Expansions

The legislature opened STEP to retailers and more small businesses and manufacturers and made many other programmatic and administrative changes.

([HB 6001, June Special Session, §§ 202-203](#), effective upon passage)

The legislature also created a separate STEP program for businesses hiring unemployed Iraq and Afghanistan war veterans and authorized up to \$10 million bonds for it. The program is modeled after the original STEP, but is open to businesses of all sizes that have been registered to do business in Connecticut or other states for at least 12 months.

([HB 6001, June Special Session, §§ 204-204](#), effective upon passage)

Youth Employment Strategies

Strategies for bolstering youth employment and addressing youth and young adult unemployment must be developed by the labor commissioner, in consultation with the Connecticut Employment and Training Commission.

([HB 6001, June Special Session, § 224](#), effective July 1, 2012)

JR:ro/tjo